

standards as the rest of America's work force. You will be paid for the amount of hours you work, no more, and no less.

Now, Congress has no intention of turning its back on the most needy in this country. We simply want to try a new approach, an approach that creates opportunity and offers a hand up and not just a handout, an approach that is just as fair to the taxpayer as it is to the welfare recipient.

Truth be told, the only people who will be turned out on the streets by welfare reform are the thousands of bureaucrats and lobbyists who administer and protect the current welfare system's complex maze of dependency.

And maybe those who are bilking the system of millions, if not billions, of dollars each year—those who enjoy taking hard-earned money from taxpayers—maybe they have forgotten that taxpayers in Minnesota would like to keep their dollars and use them wisely for their child's care or their children's education.

Again, \$1.2 trillion over the next 5 years is a major commitment by America's taxpayers. Amazingly, however, many of my colleagues on the other side of the aisle will argue that \$1.2 trillion is not enough, that America's taxpayers should pay more.

I disagree. I believe taxpayers have been generous, but now they have had enough of these failed policies which have produced little return for their investment, policies that have only created more dependency and have not solved any of the problems we face. Taxpayers have paid more than their fair share, and as an advocate for America's taxpayers, I am prepared to be their voice in this debate.

We have witnessed the attacks over the last few months organized by the entrenched bureaucrats, the special interest lobbyists for the taxpayer-financed welfare industry, and the liberal activists who oppose any welfare reform.

We have been subjected to the orchestrated campaigns of these opponents of change, these jealous defenders of the status quo.

They continue to distort the truth and misrepresent our intentions.

They cry that changing the welfare system is dangerous and it is cruel, that Republicans will take food out of the mouths of starving children. But I believe that nothing could be more dangerous or cruel than letting the current system remain.

The American taxpayers must look beyond the scare tactics, the rhetoric, and focus on the facts. The facts are reducing bureaucracy, increasing flexibility, and demanding work from those who are capable of working is an investment in our future—in their future—and both welfare recipients and taxpayers will be better off for it.

Welfare, as it was originally envisioned, was meant to be a temporary safety net for those who had fallen upon hard times, not a permanent

hammock that coddles them into lifelong dependency. The American people are calling for a new vision that will make this country better, stronger, in the year 2000 and beyond.

To the liberals, the solution to the welfare problem is the same solution they have turned to over and over again for the past 30 years.

Whenever they have faced a fiscal crisis, their answer has always been to raise taxes on the middle class. That is what they have done each time the Medicare trustees warned that Medicare was facing bankruptcy. And that is how they would have us fix welfare, give away more of the taxpayers' dollars.

That makes the liberals feel good to take away people's money, to fund programs of their choice, so they appear righteous—but what does that do to middle class Americans?

This Congress is not going to raise taxes.

This Congress is not going to ask the taxpayers to finance these fundamental changes to the welfare system. Instead we are going to ask more from the welfare recipients, and I believe that is a fair deal.

After all, the taxpayers have supported the failed status quo for far too many years. And with little but a bloated bureaucracy to show for it.

For those reasons, I am proud to be cosponsoring the Dole welfare reform bill to change the status quo, to protect hard-working, middle-class taxpayers, to lift people out of the vicious cycle of dependency, to truly end welfare as we know it.

As Oklahoma Representative J.C. WATTS has stated so well:

We can no longer measure compassion in this country by how many people are on welfare. We need to measure compassion by how many people are not on welfare because we've helped them climb the ladder of success.

Mr. President, I urge my colleagues to join my efforts to offer opportunity to all Americans by fundamentally reforming our failed welfare system and providing a fair deal to the taxpayers and those who receive the taxpayers' earnings.

Thank you very much, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, we have an informal arrangement alternating side by side, but no Democratic Member on this side is seeking recognition. I am happy to hear from the Senator from Colorado.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, in the mid-1960's, this country declared war on poverty. It was done with the greatest conviction, the greatest sense of purpose that Americans carry forward to all of our enterprises. It was sincerely and honestly believed that through Government action at the Fed-

eral level we could not only declare war on poverty but that we could beat poverty, that we could end it in this country.

Ironically, today we spend in Federal programs almost enough that if it were divided among all the poor in this Nation there literally would be no one in poverty. We are not quite to that point, but it is very close.

But obviously, all that money does not go to eliminate poverty. As a matter of fact, to our great chagrin, poverty has increased, not gone down. The number of people in poverty in this country has increased dramatically, even as we have added programs. It does not mean that our effort, our humanitarian effort, was not well intended, but it does mean that the program did not meet the objectives we set forth.

Part of the money we spend, obviously, goes to administer it. Is it too much? Perhaps. But I think the problems go further. In thinking about ending poverty, we forgot about the most important factor of all, and that is ministering to the human spirit and providing opportunity and incentive for people to change their lives. What we have done, tragically enough, is create a system that at times made things worse, not better.

For some people, we have locked them into poverty, we have literally made them financially unable to get out of poverty. We provided incentives to stay in poverty and penalties for getting out of poverty. That is what this welfare reform is all about: Finding a better way to help people realize their abilities and their opportunities and the potential for their own lives. We must understand that incentives, rewards and initiative have to be recognized in any program that helps people.

Mr. President, I look forward to participating in this historic debate. I am confident that together both parties will fashion a bill that will make a dramatic difference not only in our welfare system but in improving the lives of the poor of this Nation.

Mr. President, I ask unanimous consent to proceed for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ACCOUNTING STANDARDIZATION ACT OF 1995

Mr. BROWN. Mr. President, it may shock many Senators to realize that the largest single enterprise in the history of the world does not have a uniform accounting system. Perhaps that is not on the top of your list to worry about today, but let me tell you why it is important.

The U.S. Government has a \$2 trillion cash flow. It has 900 million checks issued each year. It has a payroll and benefits system for 5 million employees. It has over 1,962 separate budget accounts. It has though, incredibly,

Mr. President, 253 separate financial management systems. We do not have standardized accounts, we do not have a standardized management financial system, and what we have wreaked is chaos in terms of accounting for the taxpayers' money.

We do have the GAO authorized under the law to set up accounting standards, but in the past both the Treasury and the Office of Management and Budget have openly disagreed with GAO. The consequences are, even though the GAO has come up with financial accounting standards, they have been ignored. Agencies regularly ignore those standards and, as a result, the Federal Government is literally operating without generally accepted accounting standards, and the results show it.

According to GAO's report in 1995, the Department of Defense financial management systems, practices and procedures continue to be hampered by significant weaknesses. Here is what Secretary Perry said:

Our financial management system is a mess. It is costing us money we desperately need.

Over \$400 million in adjustments were made to correct errors in the defense reporting data for fiscal years 1991 to 1993 and the resulting statements still were not reliable. Vendors were literally paid \$29 billion that could not be matched with supporting documents to determine if the payments were properly made. We cannot even find out if they properly made the reports. An estimated \$3 million in fraud payments made to a former Navy supply officer for over 100 false invoice claims, and approximately \$8 million in Army payroll payments were made to unauthorized persons, including 6 soldiers who never existed and 76 deserters.

The park system—National Park Service financial system is in chaos. The Park Service has listed that a \$150 vacuum cleaner as worth more than \$800,000 on its books, a \$350 dishwasher as worth \$700,000, but a fire truck valued at \$133,000 was carried on the books for only a penny.

The IRS keeps its records in a way that would not be acceptable for any of the people it audits. Literally, the GAO reports that although it collects 98 percent of the Government revenues, it has not kept its books and records with the same degree of accuracy it expects of its taxpayers. For the last 2 years, GAO has been unable to express an opinion on the IRS financial statements due to "serious accounting and internal audit problems." Unreliable data is estimated on \$71 billion of valid accounts receivable, over \$90 billion of transactions that have not been posted to taxpayer accounts and the inventory of tax debt has increased from \$87 to \$156 billion.

Mr. President, I could go on. There are hundreds of examples of outrageous failures in the system. What is the solution? The bill I have introduced

today would establish generally accepted accounting practices for the Federal Government. It codifies generally accepted accounting standards for the Federal Government as set up by the Federal Accounting Standards Advisory Board, and approved by the GAO, Treasury, and OMB. It will also codify the standard general ledger.

Mr. President, what this will do is give us one standardized accounting system where the statements will be meaningful, accurate, and we cannot only save taxpayers money, but it will give Congress a better understanding of what the money is going for. Let me give one example. When we sought to identify the over \$100 billion in overhead expenses this Government spends, we were literally unable to get an accurate accounting on what we spend on overhead, partly because there is not a standard set of accounts. This tool will not only save the taxpayers money, but it will make Congress far more able to maximize the dollars that the taxpayers send us.

I yield the floor.

Mr. BURNS. Mr. President, I know you have been alternating between both sides of the aisle on our opening statements as far as welfare is concerned. I notice my friend from Hawaii is on the floor. I would gladly yield to him, or I can go ahead and make my statement. He has indicated for me to proceed. I appreciate my friend from Hawaii.

I want to associate myself with the words of my good friend from Colorado in introducing the bill to standardize the accounting system in this Government. When you are on the Appropriations Committee you really understand that we cannot get any kind of accounting to make some decisions. So I appreciate that.

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. BURNS. Mr. President, it is with great importance that we not underestimate the debate that is about to come on welfare reform. I do not think there is one person who thinks the present system is working at its best. Maybe it is the best we could expect from it. But I can list in Montana friend after friend who will tell you how it can be improved, because if there is one subject that everybody has an opinion on, it is welfare.

Right now, we have a system that only makes it easy to get on welfare. But it makes it awfully tough to get off of it. There is something backward about that. Welfare is supposed to be a temporary assistance, not a way of life, and for too many it has become just that.

I would like to talk about a young woman in Helena, MT, who is a success story, not because of welfare assistance, but in spite of the existing welfare system. At the age of 26, she found herself in the position of being a single

mother of four children under the age of 6. She did not even know about welfare programs prior to that, but she soon found out that in order for her to survive and to take care of her four youngsters, she had no choice. Though, she wanted to keep on working, the price of child care was more than she could afford. She was getting AFDC but would not qualify for the transitional child care unless her AFDC case was closed. She tried to get off the system a number of times, but each time was unsuccessful. She got involved in a process, though, when she was appointed to the Governor's child care development block grant task force, and she soon found that she had to choose between continuing employment or returning to the welfare rolls. Happily, she chose work and went through 8 months of increasing her debt before child care funds could come through. Now, her bottom line is that of so many people who want to get out of the system, but they just get tired of fighting the system. Welfare did nothing to aid her independence. In fact, it was just the opposite. All she needed was a little help with child care and she could have remained a self-supporting member of our society. We have had a lot of visits in the meantime, and she is doing very well now. But she says, "If you help us a little bit with housing and with child care, the majority of us can make it."

This may have been avoided had it not taken 5½ years for her to receive her first child support statement. This, too, she tried to fight on her own. The father had moved to California, and the California investigator informed her that she was just one of 21,000 cases in that State being handled and, basically, she had to wait her turn.

Well, she is off of welfare now. She has remarried. Her current husband does provide support. She recently said, "It seems that if you choose to try and regain your self-worth, your self-esteem, dignity, and self-respect, and you go out and become a taxpaying citizen, you then also choose to take food out of your children's mouths, provide less clothing, create more stresses in the home which sometimes leads to abuse and possibly loss of medical benefits." That should never be a choice any American has to make.

So, Mr. President, our welfare system clearly needs reforming, but it needs it in the right way. Right now, each dollar we spend on welfare—let us say that of each dollar that we appropriate for welfare, 30 cents goes to direct assistance, while 70 cents—or 70 percent—goes to pay for the services or the bureaucracy to deliver those funds. Seventy percent of that dollar supports the system and not the recipient. That sounds a little odd to me. It seems that the very first thing we need to do is reverse that, cut the bureaucracy, cut the miles of redtape, and get the dollars to those who need it.

Also, according to the Cato Institute, in 1990, it would have cost us \$75 billion